

Issue 78: Implementation of Competitive Service Providers Contracting Directly with Customers

Possible Business Processes Impacted:

1. Certification process for MSPs/MRSPs
2. DASR Submittal to UDC
3. Exchange of meter information through EMI, MIRN and MDCR forms
4. Requests for meter maintenance, replacement and testing
5. Coordination between MSP and MRSP to accommodate meter reading
6. Billing
7. Miscellaneous

Issues Raised for each Process

1. Certification process for MSPs/MRSPs

- Will it take longer for an MSP to get certified if they have to complete additional DASR testing?
- What if an MSP doesn't plan to submit DASRs; can they opt out of the additional testing?
- MSP/MRSP may need to complete EDI 810 and 820 testing.
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2. DASR Submittals to UDC

- How does an ESP know if the UDC has already received a DASR from an
- MSP to cover that customer's competitive metering work?
- How does the ESP get notified of DASR communications between the MSP and the UDC with updated/changed meter information?
- The existing State DASR Handbook must be reviewed to determine if it can be used to solve short-term solution.

3. Exchange of meter information through EMI, MIRN and MDCR forms

- What responsibility does the MSP have to communicate this information to the ESP?
- How will the ESP be able to keep all of the up-to-date meter information on a customer's meter unless this information is also provided to them by the MSP?
- Will the MSP be required to have a separate agreement with the customer's ESP to cover these responsibilities for information exchange?
- Who will communicate to the Scheduling Coordinator?

- Does the UDC need to send the EMI for the initial switch to the ESP if the MSP is contracting directly with the customer?
- Who's responsible for keeping the meter characteristics
- If the MSP/MRSP changes, who will be responsible for communicating the meter characteristics/meter data etc? The LS ESP? Old MSP/MRSP? Or UDC?

4. Requests for meter maintenance, replacement and testing

- If an ESP, UDC or MRSP suspects a problem with the meter, how do they request maintenance, replacement or testing from an MSP if the customer has direct contract with the MSP?
- Should the customer be notified of meter test results, meter changes etc.
- If an MSP responds to a request by the ESP, UDC or MRSP what is the process to communicate the results of the work...who's responsible for notifying the UDC, MRSP or the LS ESP.
- Need to add some incentive for the MSP to respond to meter problems reported by the MRSP or LS ESP.
- What incentive/requirements will the customer have to make sure that their MSP maintains the accuracy of the meter?
- Who is responsible if the metered data is not accurate for billing?

5. Coordination between MSP and MRSP to accommodate meter reading

- What incentive is there for the MSP to cooperate with the MRSP for meter reading purposes if the MSP contracts with the customer and the MRSP contracts with the ESP?
- What if the ESP's MRSP cannot read the metering system that the MSP sold to the customer?

6. Billing Impacts

- Does the MSP/MRSP bill the customer their own equipment and services charges or do they pass the data to the Consolidated Biller?
- If the charges are passed, how does the consolidated Biller reimburse the MSP MRSP their charges? (Timing requirements, short pays, no pays, etc.)
- Is there any UDC tariff impacts?
- If a customer opts for Dual Billing, they could receive up to 4 bills. One from the UDC, MSP, MRSP and ESP.
- Additional credit checks on the Consolidated Biller.

7. Miscellaneous

- Who is the "Default Provider" in cases where the customer has terminated the contract with the Competitive Provider or the contract is expired? Would it be the responsibility of the LS ESP to provide the Competitive service for the

customer? Since IOUs are unable to provide competitive services, the customer may need to be returned to Standard Offer if a new competitive provider is not secured.

- If an MSP/MRSP is contracting directly with the customer, the MSP/MRSP must file tariffs to do so.
- There are fundamental differences between the cooperatives and the IOUs such as:
- The IOUs can not allow a Standard Offer customer to contract meter or meter reading services and remain Standard Offer customers. The Cooperatives can allow this, provided that they are not offering competitive services outside of their territory.
- The rules require that the coops may have to provide competitive MSP/MRSP services as provider of last resort.

In addition to the above information that lists specific issues/questions associated with each process impacted, The group decided to look at the various options to implement Issue 78. The following table was developed to capture the group's discussion on the pros and cons for various scenarios.

Scenario #1: *Competitive providers (LS ESP, MSP, MRSP & BA) are required to submit their own DASRs (Initial RQ and subsequent DASRs). If the Competitive Service Provider changes, the UDC will notify the other Competitive Providers who have contracted with the customer.*

Scenario #2: – *To be developed*

Scenario #3: – *To be developed*

Issues	Pro (yes)	Cons (No)	Scenario		
			1	2	3
UDC becomes the clearinghouse responsible for notifying ALL Competitive providers when something changes.	UDCs have a way to track and terminate service agreements with Competitive Providers	Why should the UDC take the responsibility and additional cost to communicate with all parties involved – shouldn't it be the responsibility of the new provider?	X		
Process / System (metering, Billing etc)		Significant process and system changes required by all parties – unknown – extent of financial impact	X		
Costs of implementation and on-going maintenance		This will be additional costs that could impact Standard Offer customers	X		
Certification Testing		Competitive Providers would need to go through data exchange testing and the cost of implementing EDI systems/processes	X		

Transparent to the customer		Increased time to switch the customer since each competitive provider has to submit their own RQ DASR before the customer can switch	X		
Liability		Additional liability for the UDC	X		
DASR Handbook	Competitive Providers <u>could</u> use the same DASR types/forms as described in the State DASR Handbook	Extensive modification to existing State DASR Handbook	X		
Communication		Communication requirements will need to be changed between all entities to ensure proper notifications and time requirements are met			
DASR Charges		Each entity submitting DASR could be charged by the UDC, or customer could incur multiple charges for single switch Additional processes for UDC for allocating, billing and collecting DASR charges	X		
Service Agreements		LS ESP may need service level agreements with the entities contracting with the customer There may be a need for service level agreements between the MSPs, MRSPs and BA UDC will need to modify and or create new agreements	X		

Default Provider		<p>If a customer's MSP or MRSP goes out of business, who would be the default provide?</p> <p>Currently, UDCs can only be the MSP/MRSP provider for residential load profile customers. In today's world if this occurs, the ESP is responsible for providing a replacement or the customer must be returned to SO. (Except for the cooperative exemption)</p>	X		
Customer Consumption History Requests		UDCs will need to submit consumption history to the MRSP as well as the ESPs	X		
Who will send the new MSP the EMI? (Process)			X		
Coordination between the MSP and MRSP		The assumption is that the MSP is installing a meter that the MRSP can read etc.	X		
Billing		Billing for multiple Service Providers being consolidated or the customer gets multiple bills	X		
Rules/Tariffs/Schedules/Protocols		<p>UDCs would need to update their requirements and get them approved</p> <p>Competition rules may need to be modified to accommodate scenario</p>	X		